

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | KATHLEEN M. FALLON | KATE FITZPATRICK | JAMES M. MACHADO | ROBERT B. MCCARTHY | JENNIFER F. SULLIVAN

MEMORANDUM

TO: Woburn Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: March 8, 2017

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made, on average, on July 1 and January 1 of each fiscal year. The schedule is effective in FY17 (since the amount under the prior schedule was maintained in FY17) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 8.0% to 7.75% and the adoption of a fully generational mortality assumption.

If you have any questions, please contact PERAC's Actuary, Jim Lamenza, at (617) 666-4446, extension 921.

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Funded Status and Appropriations (continued)

Appropriation Forecast (continued)

Fiscal Year Ending	Payroll ¹	Unfunded Accrued Liability ²	Employee Contribution	Employer Normal Cost with Interest	Amortization Payments with Interest	Employer Total Cost with Interest	Employer Total Cost % of Payroll	Funded Ratio % ³
2017	\$29,187,382	\$76,207,949	\$2,556,636	\$1,775,734	\$4,524,266	\$6,300,000	21.6%	62.9%
2018	30,354,877	76,000,780	2,660,220	1,845,378	5,770,694	7,616,072	25.1	64.2
2019	31,569,072	75,547,171	2,768,000	1,917,752	6,584,573	8,502,325	26.9	65.6
2020	32,831,835	74,818,808	2,880,145	1,992,963	6,565,335	8,558,298	26.1	67.0
2021	34,145,109	74,060,407	2,996,834	2,071,123	6,748,727	8,819,850	25.8	68.3
2022	35,510,913	73,062,174	3,118,250	2,152,347	7,018,676	9,171,023	25.8	69.7
2023	36,931,350	71,717,061	3,244,584	2,236,756	7,299,423	9,536,179	25.8	71.1
2024	38,408,604	69,987,404	3,376,035	2,324,473	7,591,400	9,915,873	25.8	72.5
2025	39,944,948	67,832,190	3,512,811	2,415,628	7,895,056	10,310,684	25.8	74.1
2026	41,542,746	65,206,777	3,655,128	2,510,357	8,210,858	10,721,215	25.8	75.7
2027	43,204,455	62,062,599	3,803,210	2,608,799	8,539,292	11,148,091	25.8	77.5
2028	44,932,634	58,346,838	3,957,289	2,711,100	8,880,864	11,591,964	25.8	79.3
2029	46,729,939	54,002,082	4,117,610	2,817,411	9,236,099	12,053,510	25.8	81.3
2030	48,599,137	48,965,941	4,284,425	2,927,889	9,605,542	12,533,431	25.8	83.4
2031	50,543,102	43,170,647	4,457,998	3,042,698	9,989,764	13,032,462	25.8	85.6
2032	52,564,826	36,542,612	4,638,600	3,162,006	10,389,355	13,551,361	25.8	88.1
2033	54,667,419	29,001,954	4,826,519	3,285,991	10,804,929	14,090,920	25.8	90.7
2034	56,854,116	20,461,987	5,022,049	3,414,836	11,237,126	14,651,962	25.8	93.5
2035	59,128,280	10,828,667	5,225,498	3,548,730	11,686,611	15,235,341	25.8	96.6
2036	61,493,412	0	5,437,189	3,687,872	0	3,687,872	6.0	100.0

¹ Calendar basis

² As of preceding January 1

³ Beginning of Fiscal Year